

HOUSE BILL 1015

C3

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By: **Delegate Rudolph**

Introduced and read first time: February 15, 2010

Assigned to: Health and Government Operations

A BILL ENTITLED

1 AN ACT concerning

2 **Health Insurance – Purchasing Out of State – Feasibility Study**

3 FOR the purpose of requiring the Maryland Insurance Administration to study the
4 feasibility and desirability of allowing State residents to purchase health
5 insurance out of state and of establishing an Interstate Health Insurance
6 Compact for a certain purpose; requiring the study to examine certain items
7 and issues; requiring the Administration, on or before a certain date, to report
8 its findings and recommendations to the Governor and certain legislative
9 committees; and generally relating to a study by the Maryland Insurance
10 Administration of the purchase of health insurance out of state by residents of
11 the State.

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
13 MARYLAND, That:

14 (a) The Maryland Insurance Administration shall study the feasibility and
15 desirability of:

16 (1) allowing State residents to purchase health insurance out of state;
17 and

18 (2) establishing an Interstate Health Insurance Compact that would
19 allow residents of member states to purchase health insurance across state lines.

20 (b) The study shall examine:

21 (1) the potential for out-of-state health insurance purchasing to
22 promote consumer choice and increase competition among health insurance plans;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) the need to limit out-of-state health insurance purchases only to
2 states in which the state insurance regulator is accredited by the National Association
3 of Insurance Commissioners;

4 (3) the consumer protections that the State might want to retain in
5 areas such as market conduct, unfair trade practices, network adequacy, appeals and
6 grievances, fair claims payments, prompt payment of claims, rate review, and fraud;

7 (4) the disclosures that would be needed to properly educate
8 consumers about purchasing health insurance out of state;

9 (5) how out-of-state health insurance purchases could be made
10 subject to Maryland fees and taxes;

11 (6) the interest and capability of other states to establish an Interstate
12 Health Insurance Compact;

13 (7) how an Interstate Health Insurance Compact would function and
14 be governed; and

15 (8) any other item or issue the Administration considers important.

16 (c) On or before January 1, 2011, the Administration shall report the
17 findings of its study, together with any recommendations, to the Governor and, in
18 accordance with § 2-1246 of the State Government Article, the Senate Finance
19 Committee and the House Health and Government Operations Committee.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
21 July 1, 2010.